SUPREME COURT OF THE UNITED STATES.

Nos. 12 and 13.—October Term, 1930.

O'Gorman and Young, Inc., Appellant, 12 *vs.* Hartford Fire Insurance Co.		Appeals from the Court of Errors and Appeals of New Jersey.
O'Gorman and Young, Inc., Appellant, 13 *vs.* Phoenix Assurance Co., Ltd.		

[January 5, 1931.]

Mr. Justice Brandeis delivered the opinion of the Court.

These cases, which are here on appeals from the highest court of New Jersey, were argued together. They present the question whether the following statutory provision, effective March 29, 1928, is consistent with the due process clause of the Fourteenth Amendment:

"In order that rates of insurance against the hazards of fire shall be reasonable it shall be unlawful for any such insurer licensed in this State to . . allow . . any commission . . in excess of a reasonable amount, to any person for acting as its agent in respect to any class of such insurance, nor . . to allow . . any commission . . to any person for acting as its local agent in respect to any class of such insurance, in excess of that . . allowed to any one of its local agents on such risks in this State". (New Jersey Laws 1928, c. 128, p. 258.)

In each case, O'Gorman and Young, Inc., a domestic corporation licensed as an insurance broker, sues a licensed foreign fire insurance company to recover a balance alleged to be due for services performed as local agent at Newark after the effective date of the statute. In the *Phoenix Assurance Company* case, the complaint is on a contract terminable at will, made prior to the enactment of the statute, by which the company agreed to pay to the agent twenty-five per cent of the premiums. In the *Hartford Fire Insurance Company* case, the complaint is on a contract, made after